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4-8-52

OPTION AGREEMENT

THIS AGREEMENT, made this 8<sup>th</sup> day of April, 1952,  
by and between LONGVIEW FIBRE COMPANY, a Delaware corporation,  
hereinafter referred to as "Longview", and NORTHWESTERN GLASS  
COMPANY, a Washington corporation, hereinafter referred to as  
"Northwestern",

W I T N E S S E T H :

WHEREAS, Longview is presently the owner of the  
following real estate situate in the City of Seattle, County  
of King, State of Washington, and more particularly described  
as follows, to-wit:

That portion of Government Lot 4 in Section  
19, Township 24 North, Range 4 East W. M., con-  
taining 3.45 acres, more or less, and described  
as follows:

Beginning at the intersection of the Southerly  
margin of West Fidalgo Street as said Street was  
condemned in King County Superior Court Cause No.  
178890 under Ordinance No. 46352 of the City of  
Seattle with the Westerly Margin of East Marginal  
Way as established under Ordinance No. 32881 of  
the City of Seattle, and running thence South  
19°36'23" East, along the Westerly margin of said  
East Marginal Way, 148.91 feet to the point of  
intersection of the Southerly margin of West  
Fidalgo Street as relocated and established under  
Ordinance No. 80645 of the City of Seattle with  
the Westerly margin of said East Marginal Way,  
which point of intersection is the true point  
of beginning of the tract herein described; thence  
South 19°36'23" East, along the Westerly margin  
of said East Marginal Way, 151.09 feet; thence  
South 70°23'37" West 655 feet; thence North 19°  
36'23" West 309.14 feet to the Southerly margin  
of said West Fidalgo Street as relocated under  
said Ordinance No. 80645; thence North 83°57'35"  
East, along said Southerly margin, 673.80 feet  
to the true point of beginning;

NOW, THEREFORE, for and in consideration of the sum  
of Ten Dollars (\$10.00) this day paid by Northwestern to Long-  
view, receipt whereof is hereby acknowledged, it is agreed be-  
tween the parties hereto:

1.



1. In the event that Longview shall desire to sell said real estate at any time within a period of three years from the date of this agreement, Longview shall give Northwestern written notice of such desire and Northwestern shall have the right, but shall not be obligated, within sixty (60) days after the receipt of said notice by Northwestern, to purchase said real estate from Longview at Longview's "Adjusted Cost", which said latter term is hereby defined as the purchase price paid by Longview for the acquisition of said property, to-wit, the sum of \$43,128.42, plus interest thereon at the rate of five per cent (5%) per annum computed semi-annually, plus all taxes and assessments paid by Longview from the date of acquisition by it of said real estate to the date of sale to Northwestern, which taxes shall include the prorata portion of the 1952 taxes paid by Longview upon the purchase of said property by it.

2. Longview agrees that for the period of three years from the date of this agreement it will not dispose of said real estate (other than to Northwestern as hereinabove in Paragraph 1 provided) without the written consent of Northwestern first procured.

3. If said real estate shall not have been sold in accordance with the terms of the preceding paragraphs within the three years after the execution of this agreement, and if at any time during the succeeding three years (being the fourth, fifth and sixth years after the execution of this agreement) Longview shall desire to sell the same and shall have a bona fide offer from a third party for the purchase of the same, and if at such time that certain sales agreement between Longview and Northwestern dated October 6, 1949, as amended from time to time, shall be in full force and effect and Northwestern shall not be in default thereunder, Longview shall give to Northwestern written notice of the amount of said offer and the conditions

thereof, and Northwestern shall have thirty (30) days after the receipt of said notice to purchase the property on the same terms and conditions as set forth in said notice. It is understood and agreed that said bona fide offer may be for the real estate, together with all or any part of the following: improvements, machinery, inventories, and going concern, and that in such event Northwestern must in order to exercise its option, purchase all of the land, improvements, machinery, inventories, and going concern included within said bona fide offer. In the event that Northwestern fails within the thirty (30) day period last hereinabove mentioned so to purchase said real estate and said other property, if any, as hereinabove provided, then Longview shall have the right to consummate sale to the person who shall have made the bona fide offer hereinabove mentioned on the terms set forth in the notice given to Northwestern. If, however, Northwestern shall fail to exercise its said option to purchase, and if for any reason Longview shall fail to consummate the sale to the third party or parties having made the Bona fide offer as to which notice was given, within a reasonable time thereafter, Northwestern's rights under this paragraph of the agreement shall be restored as fully as though Longview had not received the offer that was not consummated so that the rights given to Northwestern under this Paragraph 3 shall continue in full force and effect up to but not beyond the end of the sixth year after the execution of this agreement.

4. In the event that Longview shall not have sold the real estate described hereinabove within six years after the execution of this agreement, and shall not have constructed or commenced the construction of, or have entered into a contract for the construction of a Container Manufacturing Plant

on the real estate within that six year period, Northwestern is hereby given a sixty (60) day option, beginning with the expiration of that six year period, to purchase the real estate at Longview's "Adjusted Cost", as that term is defined in Paragraph 1 of this agreement, to be determined as of the date of such purchase. The option so to purchase must be exercised by Northwestern giving written notice to Longview not later than sixty (60) days following the expiration of said sixth year of its intention so to exercise said option. In the event that Northwestern shall not exercise said option all rights of Northwestern and all obligations of Longview under the terms of this agreement shall automatically terminate at the end of said sixty (60) day period. In the event that Northwestern shall have exercised said option but shall not have purchased said real estate pursuant to the exercise of said option within thirty (30) days after the expiration of the sixty (60) day period last hereinabove mentioned, then all rights of Northwestern and all obligations of Longview under the terms of this agreement shall automatically terminate at the end of said thirty (30) day period.

5. In the event that Northwestern shall exercise any of its options under the terms of this agreement, upon payment of the purchase price by Northwestern, Longview will convey to Northwestern the real estate by warranty deed, free and clear of liens and encumbrances other than those presently existing, and Longview will sell to Northwestern any other property to be conveyed to Northwestern pursuant to the terms hereinabove, by bill of sale, free and clear of liens and encumbrances.

6. In the event that all or any portion of the real estate be taken from Longview through the exercise of the right of eminent domain, then all obligations of Longview

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and rights of Northwestern hereunder shall immediately cease and terminate upon such taking. Following such taking Longview shall give written notice to <sup>Northwestern</sup> ~~Western~~ thereof, together with statement of the location and area of the portion of the real estate so taken. Not later than sixty days thereafter Northwestern may, anything hereinabove in this Paragraph 6 contained notwithstanding, by written notice to Longview elect to continue the within option as to the portions of the real estate not so taken and in such event the said option shall continue as to said portion, except that in determining the "Adjusted Cost", in lieu of the sum of \$43,128.42, such proportion of such sum shall be included as a part of such "Adjusted Cost" as corresponds to the proportion which the area of the real estate not so taken bears to the total area of the real estate as hereinabove first described.

7. Longview, because of this agreement, shall be under no obligation during the life thereof to keep and maintain on the ~~described~~ premises any improvements presently or hereafter in existence thereon, nor to keep the same in repair or good condition.

8. Northwestern agrees that the executed copy of this agreement delivered to it shall not be placed of record, and agrees that if such copy be placed of record then this agreement and all rights of Northwestern thereunder shall automatically cease and terminate.

9. Any notices to be given hereunder shall be given by United States registered mail, if to Longview the same shall be given in duplicate, one copy addressed to it at #1 Montgomery Street, San Francisco, California, and the other

copy addressed to it at Longview, Washington; if given to Northwestern the same shall be addressed to it at 5801 East Marginal Way, Seattle, 4, Washington. Either party shall have the right by notice in the manner hereinabove provided for to change the address to which notices shall be given it.

10. It is agreed that the within Agreement is personal as to Northwestern and shall not be assignable by it voluntarily or by process of law, except that the same may be assigned by Northwestern to any corporation acquiring substantially all of the business and assets of Northwestern provided written notice of such assignment be forthwith given to Longview.

11. The parties hereto agree that it would be impracticable or extremely difficult to fix the actual damages which Northwestern may suffer in the event of breach by Longview of the provisions hereof. Because of said fact, the parties hereto fix as the amount of liquidated damages to be suffered by Northwestern in the event of breach by Longview of the provisions hereof and not by way of penalty the sum of Twenty-five Thousand Dollars (\$25,000.00).

IN WITNESS WHEREOF, the parties hereto, acting through their authorized representatives, have executed this agreement the day and year first above written.

LONGVIEW FIBRE COMPANY

By H. L. Wolfenbergo  
(H. L. Wolfenbergo) President  
By R. G. Armstrong  
(R. G. Armstrong) Assistant Secretary

NORTHWESTERN GLASS COMPANY

By E. S. Campbell  
(E. S. Campbell) President  
By Stanley P. Jones  
(Stanley P. Jones) Secretary

STATE OF WASHINGTON

COUNTY OF KING

} ss

On this 8<sup>th</sup> day of April, 1952, before me personally appeared H. L. Mollenberg and R. G. Armstrong, to me known to be the President and Assistant Secretary of the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

Given under my hand and official seal the day and year last above written.

Max Kaminoff  
Notary Public in and for the State  
of Washington, residing at Seattle.

STATE OF WASHINGTON

COUNTY OF KING

} ss

On this 8<sup>th</sup> day of April, 1952, before me personally appeared E. S. Campbell and Stanley P. Jones, to me known to be the President and Secretary of the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

Given under my hand and official seal the day and year last above written.

Max Kaminoff  
Notary Public in and for the State  
of Washington, residing at Seattle.